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ABSTRACT

This report analyzes data from the April 1984 Survey of Income and Program Participation (SIPP) on households comprised of both Aid to Families with Dependent Children (AFDC) recipients and nonrecipients. Of the 3.7 million AFDC households, 32 percent consisted of AFDC recipients and their relatives, as opposed to only recipients. Analysis of the recipients' relationships with the nonrecipients showed two basic household structures: one consisting of two generations; the other, three generations. The following characteristics were found for two-generation households: (1) they usually consist of older AFDC mothers, 73 percent of whom were over age 25 and 32 percent of whom were over 39, who headed the households; (2) in 86 percent, an AFDC recipient was the person in whose name the dwelling was leased; (3) most of the persons not on AFDC were children of the AFDC family head, and were over 18 and thus ineligible for AFDC. The following characteristics were found for three-generation households: (1) they consist of young AFDC mothers, 53 percent of whom were under age 25 and 40 percent of whom were under 21, living with their parents; (2) in less than a fourth of these, the dwelling was in the name of an AFDC recipient; and (3) most of the non-AFDC relatives were the parents or siblings of the AFDC family head. In 80 percent of three-generation households, nonrecipients had a higher per capita income than recipients. In two-generation households the overall income of AFDC recipients and non-recipients were similar. Data are presented on 10 tables and figures. Appendices provide additional data, detail the objectives, scope, methodology, and data limitations of the report, and demonstrate sampling errors for key SIPP estimates. (BJV)

8-9-88 UD

United States General Accounting Office

GAO

Report to the Honorable
William V. Roth, Jr., U.S. Senate

May 1988

WELFARE

Relationships and Incomes in Households With AFDC Recipients and Others

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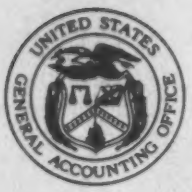

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United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-225966

May 11, 1988

The Honorable William V. Roth, Jr.
United States Senate

Dear Senator Roth:

As you requested in March 1987, we have analyzed Census Bureau data on households composed of both Aid to Families with Dependent Children (AFDC) recipients and persons not receiving AFDC. In our November 1987 report to you, Welfare: Income and Relative Poverty Status of AFDC Families (GAO/HRD-88-9), we noted that more than one-third of the 3.7 million AFDC families live in such households.

You asked us to develop additional information on these households, such as

- whether household members not receiving AFDC are related to AFDC recipients and, if so, how, and
- the incomes of the AFDC recipients and the non-AFDC household members.

This report presents the requested information, including some comparisons with AFDC families living alone. The information is based on our analysis of April 1984 data from the Survey of Income and Program Participation (SIPP), a Census Bureau nationwide database. We used the SIPP data to (1) identify relationships within households, (2) compute dollar values for in-kind benefits, and (3) allocate income amounts to household members. Our results are summarized in this letter and discussed in more detail in appendix I. Appendix II details our objectives, scope, methodology, and data limitations. Appendix III shows sampling errors for key SIPP estimates.

AFDC recipients can live with nonrecipients because AFDC benefits are determined for an "assistance unit" rather than a "household." The assistance unit centers on a needy child (or children) and a caretaker relative (usually a parent or parents) whose needs, income, and assets are taken into account in determining the AFDC benefit. Grandparents, older siblings, or other relatives often live in the same household as the needy child and the caretaker relative, but they usually are excluded

from the assistance unit. In states not offering Unemployed Parent benefits,[1] the spouse of the AFDC assistance unit head could live in the household but not be part of the assistance unit if, for example, he or she was receiving Supplemental Security Income.

Relationships and Other Characteristics

Our analysis of the SIPP data showed that 63 percent of all AFDC households consisted solely of AFDC recipients, 32 percent consisted of AFDC recipients and their relatives, and 5 percent included one or more unrelated persons. Because there are too few households with unrelated members to allow detailed analysis, this report focuses primarily on households composed of AFDC families and their relatives not on AFDC.

Our analysis of the recipients' relationships to the nonrecipients living with them showed two basic household structures. One structure, found in just over one-half of these households, consisted of two generations (those of the parent and child). The other structure, which accounted for just under one-half of the households, consisted of three generations (those of the parent, child, and grandparent). We did further analysis of living arrangements and economic relationships within these types of households.

The data show two distinct patterns of living arrangements for AFDC mothers, corresponding to the household types. One pattern, evident in two-generation households, consists of older AFDC mothers likely to be the heads of their own households. The AFDC mothers were age 25 or over in 73 percent of these households, and over age 39 in 32 percent. In 86 percent of the two-generation households, an AFDC recipient was the person in whose name the dwelling was owned or rented. Most of the persons not on AFDC in these households were children of the AFDC family head. Many of these children were over age 18 and thus ineligible for AFDC. Others were younger and may not have been on AFDC because they had child support or for other reasons.

In the second pattern, found mainly in three-generation households, young AFDC mothers lived with their parents. The AFDC mothers were under age 25 in 53 percent of these households, and under age 21 in 40 percent. In less than a fourth of these households, the dwelling was in the name of an AFDC recipient. Most of the non-AFDC relatives were the parents or siblings of the AFDC family head.

[1]During 1984, 25 states provided AFDC benefits to two-parent families (assistance units) in which the principal wage earner was unemployed or employed less than 100 hours a month.

Income Amounts and Comparisons

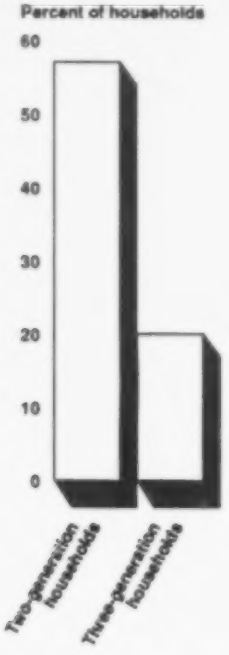
In examining the income of household members, we found differing economic relationships within the households, as might be expected from the demographic differences between the two household types.[2] In three-generation households, which frequently contain young AFDC mothers living with their parents, nonrecipients had a higher per capita income than recipients (average monthly income $320 higher). Recipients had higher per capita incomes than nonrecipients in only 20 percent of these households (see fig. 1). In two-generation households, where the AFDC mother was likely to head the household, the overall income levels of AFDC recipients and nonrecipients were similar.[3] In fact, AFDC recipients had higher per capita incomes than nonrecipients in 57 percent of these households.

AFDC families in two-generation households on average had higher per capita incomes (including Medicaid) than either (1) AFDC families in three-generation households or (2) those living in households composed solely of AFDC recipients. The differences between the income of AFDC families in two-generation households and that of AFDC families in other household types most likely are due to the fact that overall they had more earned income as well as more cash income from both means-tested and insurance-based programs.

[2]The income amounts discussed here were determined using the Census Bureau's "market value" technique, one of three techniques developed to value in-kind benefits (such as Medicaid). This technique values the in-kind benefit at the cost of purchasing similar benefits in the market. Appendix IV contains income amounts computed using the "recipient value" technique, which is based on the amount subsidized consumers similar to recipients pay for goods or services.

[3]In comparing AFDC recipients' income with that of their relatives not on AFDC, we included cash and in-kind income—except health benefits. The SIPP data do not include a value for employer- or union-paid health insurance to relatives not on AFDC. Therefore, to assure comparability, we did not include a value for Medicaid in the incomes of AFDC recipients.

Figure 1: Households in Which AFDC Recipients Had Higher Incomes Than Nonrecipients (April 1984)



Note: Data are based on a sample of 114 two-generation and 103 three-generation households

We discussed our work with officials at the Congressional Budget Office and the Census Bureau during our review and considered their views in preparing this report. As agreed, unless you publicly announce its contents earlier, we plan no further distribution of this document until 10 days after its issue date. At that time, we will send copies to other interested parties and make copies available to others who request them.

Sincerely yours,

Franklin Frazier

Franklin Frazier
Associate Director

Contents

Letter		1
Appendix I Welfare: Relationships and Incomes in Households With AFDC Recipients and Others		8
	Relationships and Other Characteristics	8
	Income Amounts and Comparisons	14
Appendix II Objectives, Scope, and Methodology		18
	Types of Information Collected	18
	Analysis of the Data	18
	Techniques Used to Value In-Kind Benefits	20
Appendix III Sampling Errors for Key SIPP Data		22
Appendix IV Income Amounts and Comparisons Using Recipient Value Technique		24
Tables	Table I.1: Monthly Per Capita Incomes of Households With AFDC Recipients and Relatives (April 1984)	14
	Table I.2: Monthly Per Capita Incomes of AFDC Recipients (April 1984)	17
	Table IV.1: Monthly Per Capita Incomes of Households With AFDC Recipients and Relatives (April 1984)	24
	Table IV.2: Monthly Per Capita Incomes of AFDC Recipients (April 1984)	24

Figures

Figure 1: Households in Which AFDC Recipients Had Higher Incomes Than Nonrecipients (April 1984) 4
Figure I.1: Types of AFDC Households (April 1984) 8
Figure I.2: Ages of AFDC Mothers in Two- and Three-Generation Households (April 1984) 11
Figure I.3: Residences Owned or Rented by an AFDC Recipient (April 1984) 12
Figure I.4: Relationship of Non-AFDC Relatives to the AFDC Family Head (April 1984) 13
Figure I.5: Households in Which AFDC Recipients Had Higher Incomes Than Nonrecipients (April 1984) 15

Abbreviations

AFDC	Aid to Families with Dependent Children
SIPP	Survey of Income and Program Participation
WIC	Special Supplemental Food Program for Women, Infants, and Children

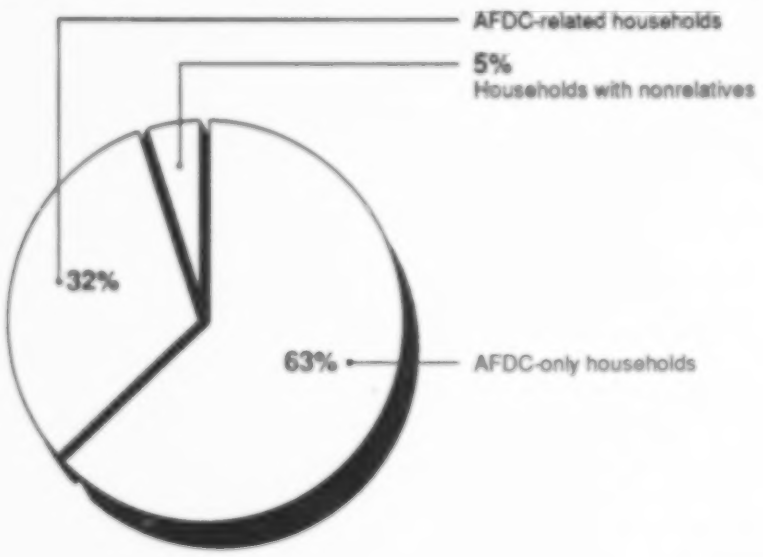
Welfare: Relationships and Incomes in Households With AFDC Recipients and Others

Relationships and Other Characteristics

Annually, AFDC payments total about $15 billion, with about 3.7 million families participating each month. As figure I.1 shows, of AFDC households nationally:

- 63 percent consisted solely of AFDC recipients. Our report to Senator William V. Roth, Jr., Welfare: Income and Relative Poverty Status of AFDC Families (GAO/HRD-88-9, Nov. 4, 1987) focused primarily on these households.
- 32 percent consisted of AFDC recipients and their relatives who did not receive AFDC.
- 5 percent included AFDC recipients and persons neither receiving AFDC nor related to the recipients by blood or marriage.

Figure I.1: Types of AFDC Households (April 1984)



Note: National estimates based on survey of 633 AFDC households

Because the households with unrelated members are too few to allow detailed analysis, this report focuses primarily on households composed of AFDC families and their relatives not on AFDC. We examined the characteristics and income of these households. We also compared the

income of AFDC families living with non-AFDC relatives to that of AFDC families living in households composed only of AFDC recipients. The data presented are national averages because the limited number of AFDC cases in the SIPP database does not allow us to determine regional differences. (App. II describes our scope and methodology.)

AFDC recipients can live with nonrecipients because AFDC benefits are determined for an "assistance unit" rather than a "household." The assistance unit revolves around a needy child (or children) and a caretaker relative (usually a parent or parents) whose needs, income, and assets are taken into account in determining the AFDC benefit. Grandparents, older siblings, or other relatives often live in the same household as the needy child, but they usually are excluded from the assistance unit. In states not offering Unemployed Parent benefits,[1] the spouse of the AFDC assistance unit head could live in the household but not be part of the assistance unit if, for example, he or she was receiving Supplemental Security Income.

At the time the SIPP data we used were collected (in April 1984), families applying for benefits could exclude from the assistance unit certain family members (including the parent of the needy child) whose income might have reduced the assistance unit's benefit. In addition, in cases where a minor AFDC mother was supported by her parents, their income was not considered in determining the child's eligibility. Effective October 1, 1984, the Congress changed federal law to require states to include the needy child's parents and minor siblings in the assistance unit. As under prior law, Supplemental Security Income recipients and stepbrothers and stepsisters were excluded from this requirement. In addition, when a minor AFDC family head lives with her parents, a portion of their income must be considered available to the unit. As a result, some income excluded in determining eligibility and benefits for the AFDC recipients in our sample may have been included after October 1, 1984, causing a loss or reduction of benefits for some recipients.

Two Basic Household Structures

Our analysis of the AFDC recipients' relationships to the nonrecipients living with them showed two basic household structures. One structure, found in just over one-half of these households, consisted of two generations (those of the parent and child). The other structure, which accounted for just under one-half of the households, consisted of three

[1]During 1984, 25 states provided AFDC benefits to two-parent families (assistance units) in which the principal wage earner was unemployed or employed less than 100 hours a month.

generations (those of the parent, child, and grandparent). We did further analysis of living arrangements and economic relationships within these types of households.

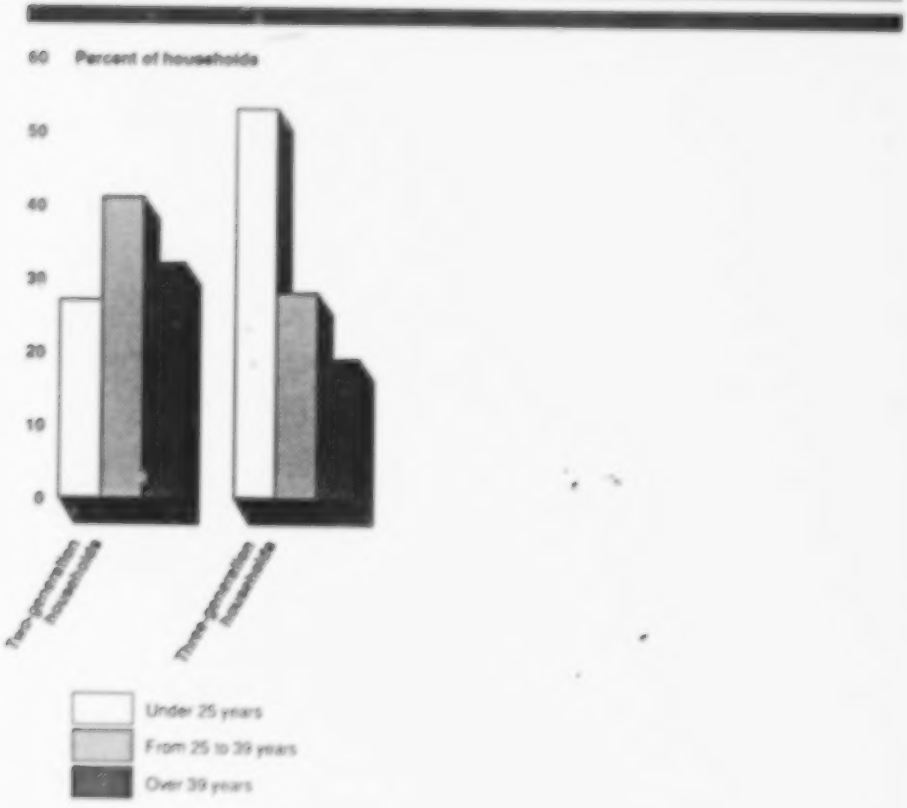
The data show two prominent patterns of living arrangements for AFDC mothers, corresponding to the household types. One pattern, evident in two-generation households, consists of older AFDC mothers likely to be the heads of their households. The AFDC mothers were age 25 or over in 73 percent of these households and over age 39 in 32 percent. In 86 percent of the households, an AFDC recipient was the person in whose name the dwelling was owned or rented. Most of the non-AFDC relatives were the spouse and children of the AFDC family head. A spouse may not be on AFDC for such reasons as the spouse (1) is the stepparent of the child on AFDC, (2) is an illegal alien, (3) is receiving Supplemental Security Income, or (4) was not reported to the welfare agency. A child may not be on AFDC for such reasons as (1) the child is age 18 or over, (2) the parent requested exclusion so the child's income (e.g., child support) will not affect the grant amount, (3) the child is receiving Supplemental Security Income, or (4) the child is an illegal alien.

In the second pattern, found in three-generation households, young AFDC mothers lived with their parents. The AFDC mothers were under age 25 in 53 percent of these households, and under age 21 in 40 percent. In less than a fourth of the households, the dwelling was in the name of an AFDC recipient. Most of the non-AFDC relatives were the parents and siblings of the AFDC family head.

Two-generation households averaged 2.9 AFDC recipients and 2.0 relatives not on AFDC. Three-generation households averaged 3.4 AFDC recipients and 3.1 relatives not on AFDC.

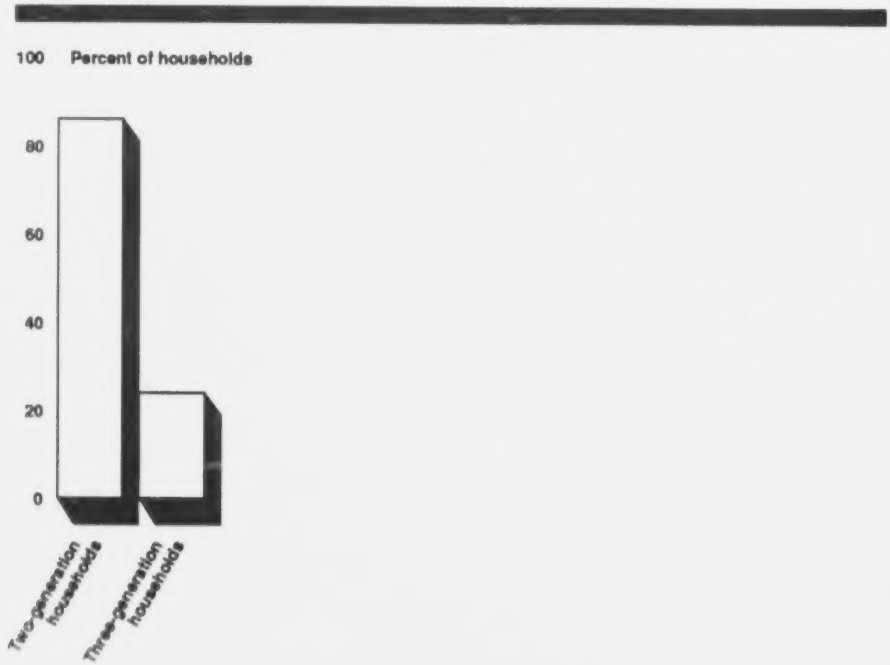
The ages of the AFDC mothers in the two household types are compared in figure I.2. A comparison of households where the dwelling is owned or rented by an AFDC recipient appears in figure I.3. Figure I.4 illustrates the relationship of the non-AFDC relatives to the AFDC family head.

Figure I.2: Ages of AFDC Mothers in Two- and Three-Generation Households (April 1984)



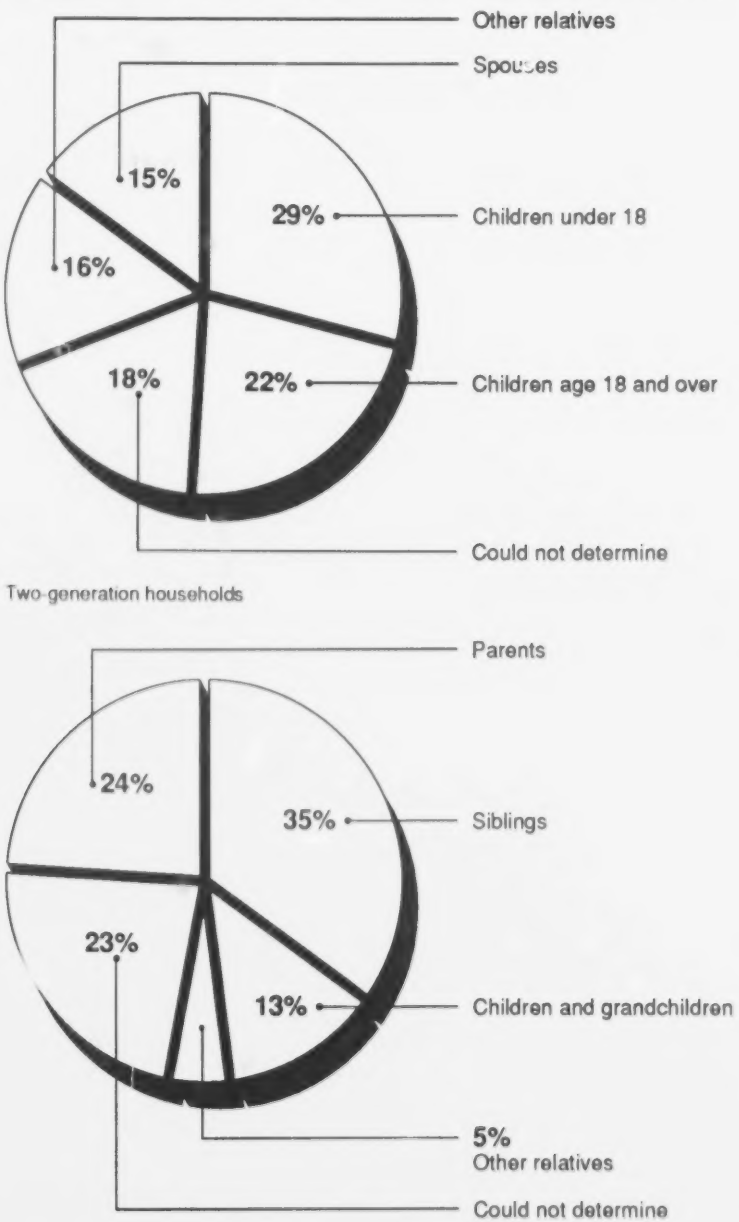
Note: Data are based on a sample of 114 two-generation and 103 three-generation households.

Figure I.3: Residences Owned or Rented by an AFDC Recipient (April 1984)



Note: Data are based on a sample of 114 two-generation and 103 three-generation households.

Figure I.4: Relationship of Non-AFDC Relatives to the AFDC Family Head
(April 1984)



Note: Data are based on a sample of 114 two-generation and 103 three-generation households

Income Amounts and Comparisons

In examining the income of household members, we found differing economic relationships within the households, as might be expected from the demographic differences between the two household types. On average, nonrecipients in three-generation households had higher per capita incomes than recipients. In two-generation households, there was little difference in per capita income between the groups. AFDC families in two-generation households on average had higher per capita incomes than either AFDC families in three-generation households or those living in households composed solely of AFDC recipients.

Table I.1 shows income estimates nationally for two- and three-generation households, and for AFDC and non-AFDC members of the households. In comparing AFDC recipients' incomes with those of their relatives not on AFDC, we included cash and in-kind income, except health benefits. Because the SIPP data do not include a value for employer- or union-paid health insurance for relatives not on AFDC, we did not include a value for Medicaid in the incomes of AFDC recipients. In the following discussion, we present income amounts obtained using the "market value" technique, one of three experimental techniques the Census Bureau developed to value in-kind benefits. Appendix IV presents income amounts derived using the "recipient value" technique.

Table I.1: Monthly Per Capita Incomes[a] of Households With AFDC Recipients and Relatives (April 1984)

	Market Value Technique[b]			
Household	**Bottom quarter**	**Median income**	**Average (mean) income**	**Top quarter**
Two-generation AFDC-related households:[c]				
All household members	$191 or less	$273	$317	$379 or more
AFDC members	184 or less	262	307	337 or more
Non-AFDC members	95 or less	215	331	474 or more
Three-generation AFDC-related households:[d]				
All household members	207 or less	286	350	433 or more
AFDC members	117 or less	177	194	250 or more
Non-AFDC members	212 or less	361	514	649 or more

[a]Income includes cash and in-kind benefits, excluding Medicaid.

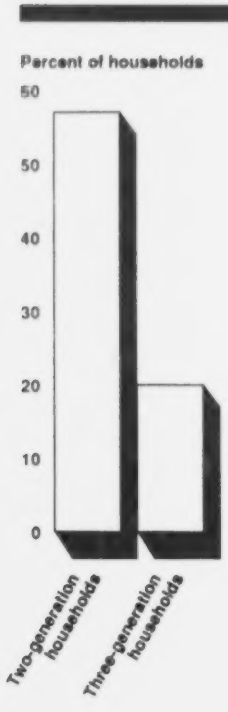
[b]Appendix IV contains income amounts using the recipient value technique.

[c]114 households sampled.

[d]103 households sampled.

In three-generation households, which frequently contain young AFDC mothers living with their parents, non-AFDC members had significantly higher incomes than did the AFDC recipients, with average monthly per capita income $320 higher and median income $184 higher. Recipients had higher per capita incomes than nonrecipients in only 20 percent of the households (see fig. I.5). Within two-generation households, however, where the AFDC mother is likely to head the household, the income levels between AFDC recipients and nonrecipients were similar. In fact, AFDC recipients had higher per capita incomes than nonrecipients in 57 percent of these households.

Figure I.5: Households in Which AFDC Recipients Had Higher Incomes Than Nonrecipients (April 1984)



Note: Data are based on a sample of 114 two-generation and 103 three-generation households.

In both two- and three-generation households, the incomes of non-AFDC members varied much more widely than did those of AFDC recipients. For example, in three-generation households, half the AFDC recipients had monthly per capita incomes between $117 and $250 ($133 range),

whereas half the non-AFDC members had incomes between $212 and $649 ($437 range).

Comparing the income of recipients and nonrecipients between household types adds to the picture of the households' economic structures and fits the family patterns shown earlier. In two-generation households, where AFDC recipients tend to be the household heads, these recipients had significantly higher incomes than did AFDC recipients in three-generation households, who tend to be younger women living with their parents. Conversely, the SIPP data suggest that in three-generation households, relatives not on AFDC, who tend to be parents of AFDC mothers, had higher incomes than did relatives not on AFDC (e.g., husbands and older children) in two-generation households. These differences, while in the expected direction, were not statistically significant, perhaps because of our relatively small sample sizes together with the wide variance in non-AFDC relatives' income.

Comparison of AFDC Recipients' Incomes

We also compared the incomes (including Medicaid) of AFDC families living with relatives to the incomes of AFDC families living in households consisting solely of AFDC recipients (see table I.2). AFDC families in two-generation households had significantly higher incomes than either families living alone (average monthly per capita income $75 higher) or families in three-generation households (average monthly per capita income $112 higher). The differences between the income of AFDC families in two-generation households and that of AFDC families in other household types most likely stem from the fact that overall they had more earned income as well as more cash income from both means-tested and insurance-based programs.

Table I.2: Monthly Per Capita Incomes[a] of AFDC Recipients (April 1984)

Market Value Technique[b]					
Household	**No. of households sampled**	**Bottom quarter**	**Median income**	**Average (mean) income**	**Top quarter**
AFDC-only households	394	$213 or less	$256	$269	$301 or more
Two-generation AFDC-related households	114	221 or less	299	344	374 or more
Three-generation AFDC-related households	103	154 or less	214	232	288 or more

[a]Income includes cash and in-kind benefits, including Medicaid.

[b]Appendix IV contains income amounts using the recipient value technique.

Objectives, Scope, and Methodology

In his March 1987 request, Senator Roth asked us to develop information on households with AFDC recipients and persons not receiving AFDC benefits, specifically

- whether household members not receiving AFDC are related to AFDC recipients and, if so, how, and
- the incomes of the AFDC recipients and the non-AFDC household members.

Our earlier report to the Senator, Welfare: Income and Relative Poverty Status of AFDC Families (GAO/HRD-88-9, Nov. 4, 1987), focused primarily on AFDC families living alone and provided limited information on incomes of AFDC families living with others.

Types of Information Collected

Using the Census Bureau's Survey of Income and Program Participation data, we produced a nationally projectable sample of relationships and other characteristics and incomes for AFDC households with relatives not on AFDC, and incomes for AFDC families living alone. SIPP data are collected from a stratified sample of about 20,000 noninstitutional households nationwide. Sampled households are interviewed every 4 months to obtain monthly data on individual and household income, employment status, and participation in federal benefit programs.

We limited our analysis of SIPP data to a single month—April 1984. The Census Bureau's weighting and estimating procedures were used to make our national estimates. These estimates are based on SIPP samples of 648 AFDC households, of which 217 were reportedly composed of AFDC recipients and their relatives not on AFDC and were used for most of our analyses, 394 were households where AFDC recipients lived alone, and 37 were households comprising AFDC recipients and unrelated persons not on AFDC.

Appendix III shows sampling errors for key SIPP estimates.

Analysis of the Data

We categorized the 217 AFDC households with non-AFDC relatives into

- 103 "three-generation" households, which included a grandparent-parent-child relationship, and
- 114 "two-generation" households, which included a parent-child relationship but no grandparent.

To the extent SIPP data permitted, we identified the relationship of non-AFDC relatives to the AFDC family head (the person in whose name the AFDC grant payments were made), and certain characteristics, such as (1) the age of the AFDC mother and (2) the householder; i.e., the person in whose name the dwelling was owned or rented. Because SIPP data show how members are related to the householder, we could not identify how a non-AFDC relative was related to the AFDC family head unless the family head was also the householder or a child of the householder.

We determined the amounts of cash and in-kind income for each sample household, and each group (AFDC and non-AFDC) within the household, by adding all cash income (including AFDC payments, earnings, and child support) to the values for in-kind benefits obtained from the Food Stamp, Medicaid, public housing, section 8 housing, and school lunch programs and the Special Supplemental Food Program for Women, Infants, and Children (WIC).

We compared two-generation household income data to those of three-generation households. Also, we compared two- and three-generation household income data on AFDC families to those of AFDC families living alone.

We assigned incomes on an individual-by-individual basis as follows:

- Cash income was allocated to the individual shown in SIPP as having received the income.
- Food stamps were prorated equally to all persons in the household covered by the food stamp benefit.
- Government-subsidized housing benefits were prorated equally to all persons living in the household.
- School lunch benefits were prorated equally to all children in the household between the ages of 5 and 18.
- WIC benefits were prorated equally to all persons covered by the program.
- Medicaid benefits were prorated equally to all persons on AFDC. We did not calculate or assign medical benefits for persons not covered by AFDC because SIPP did not contain such data.

We summed the incomes of each group and divided the total by the number of persons in the group to derive a per capita income. We used per capita incomes in our analyses because the sampled households differed in size and composition of AFDC and non-AFDC members.

Techniques Used to Value In-Kind Benefits

At the request of the Congress, the Census Bureau has developed three experimental techniques to measure the effects of in-kind benefits on official poverty rates.

These three techniques are

- market value—the cost of purchasing similar benefits in the market;
- recipient value—the average amount subsidized consumers with characteristics similar to recipients (income, family size, age, etc.) pay for goods or services (e.g., housing, food, medical care); and
- poverty budget shares—the upper dollar limits assigned to benefit values, based on current poverty thresholds and expenditures by families at or near the poverty line.

GAO has issued three reports on the Census Bureau's effort to value in-kind benefits, urging caution in using the Bureau's methods because of concerns about the technical adequacy of the methods.[1] Also, the Bureau's Technical Paper 55: Estimates of Poverty Including the Value of Noncash Benefits, 1984, cautions that there is no consensus concerning the relative merits of various methods of valuing noncash benefits.

To present a range of possible valuation results, we used two of the three Census Bureau valuation techniques—market value (high) and recipient value (low)—to compute values for Food Stamp, Medicaid, housing, and school lunch benefits.[2] The Bureau's poverty share valuation technique provides similar values to the recipient technique. The data on which market and recipient value computations were based are in appendix B of the Bureau's Technical Paper 55.

Because we wanted only a basis to compare the income of different household types and members and did not want to compare income to the poverty line, we present only market value data in the body of the report. Income data derived using the recipient value technique are presented in appendix IV.

[1]Noncash Benefits: An Evaluation of the Census Bureau's Measurement Conference (GAO/PEMD-86-8BR, Apr. 17, 1986); Noncash Benefits: Initial Results Show Valuation Methods Differentially Affect the Poor (GAO/PEMD-87-7BR, Oct. 24, 1986); and Noncash Benefits: Methodological Review of Experimental Valuation Methods Indicates Many Problems Remain (GAO/PEMD-87-23, Sept. 30, 1987).

[2]The Census Bureau does not provide a valuation technique for WIC benefits. These benefits are small in amount. We used the amounts reported in SIPP for both the market and recipient value of the benefits.

Our November 1987 report to Senator Roth presents a more detailed explanation by the Census Bureau of these techniques and describes our application of the market value and recipient value techniques to the SIPP data.

In developing our study methodologies and presenting the study results, we consulted the Congressional Budget Office, the Congressional Research Service, the Bureau of the Census, and other federal agency officials, as well as private consultants and experts. Our estimates are subject to variation for the following reasons:

1. The Census Bureau cautions users of SIPP data that, because respondents fail to report accurately all income resources and amounts, household surveys such as SIPP tend to underestimate the number of persons receiving income and the average amount received. For example, the Census Bureau reported that for the second quarter of 1984, SIPP identified 14 percent fewer recipients and 9.5 percent fewer Food Stamp recipients than did the agencies administering the programs.[3]

2. Labor force activity and welfare program participation are subject to variations that may not be reflected in an analysis of any 1 month's data. For example, a 1985 study using monthly income data found that between 14.0 and 16.3 percent of all households were poor in any given month.[4] When annual income data were used, the poverty rate dropped to 12.2 percent. The study attributed the difference to variations in income that occurred throughout the year. Thus, caution should be used in attempting to annualize the monthly income data in this report.

Our review was conducted in accordance with generally accepted government auditing standards, except that we did not assess the SIPP data reliability. However, the Census Bureau performs various tests to assure the accuracy of SIPP data and estimating procedures.

[3]U.S. Bureau of the Census, Current Population Reports, Series P-70, No. 4, Economic Characteristics of Households in the United States: Second Quarter 1984 (U.S. Government Printing Office, Washington, D.C., 1985).

[4]Eric A. Hanushek and Roberton Williams, Alternative Poverty Measures and the Allocation of Federal Benefits (Congressional Budget Office, Dec. 1985), pp. 8 and 36.

Sampling Errors for Key SIPP Data

	Estimated amount	Estimated sampling error at 95-percent confidence level[a]
Two-generation households		
Average number of persons	4.9	4
Average number of persons on AFDC	2.9	4
Percent of non-AFDC relatives by relationship to AFDC family head		
Spouses	15	8
Children under age 18	29	11
Children age 18 and older	22	10
Other relatives	16	9
Could not determine	18	9
Percentage of households with AFDC mother under age 21	6	6
Percentage of households with AFDC mother over age 24	73	10
Percentage of households with AFDC mother over age 39	32	11
Percentage of households with residence owned or rented in the name of an AFDC recipient	86	9
Average monthly per capita income		
At market value (without Medicaid)		
All household members	$317	$47
Non-AFDC members	331	88
AFDC recipients	307	46
At recipient value		
All household members	293	48
Non-AFDC members	311	89
AFDC recipients	266	46
At market value (including Medicaid)		
AFDC recipients	344	46
At recipient value (including Medicaid)		
AFDC recipients	293	46

(continued)

	Estimated amount	Estimated sampling error at 95-percent confidence level[a]
Three-generation households		
Average number of persons	6.5	7
Average number of persons on AFDC	3.4	6
Percentage of non-AFDC relatives by relationship to AFDC family head		
Siblings	35	3
Parents	24	3
Children and grandchildren	13	2
Other relatives	5	2
Could not determine	23	4
Percentage of households with AFDC mother under age 21	40	12
Percentage of households with AFDC mother over age 24	47	13
Percentage of households with AFDC mother over age 39	19	10
Percentage of households with residence owned or rented in the name of an AFDC recipient	24	11
Average monthly per capita income		
At market value (without Medicaid)		
All household members	$350	$76
Non-AFDC members	514	197
AFDC recipients	194	27
At recipient value (without Medicaid)		
All household members	336	77
Non-AFDC members	502	198
AFDC recipients	169	24
At market value (including Medicaid)		
AFDC recipients	232	27
At recipient value (including Medicaid)		
AFDC recipients	199	24
AFDC families living alone		
Average monthly per capita income (including Medicaid)		
At market value	$269	$10
At recipient value	205	11

[a]Estimated sampling error computed using the Census Bureau procedures for SIPP described in SIPP Wave III Documentation

Income Amounts and Comparisons Using Recipient Value Technique

Table IV.1: Monthly Per Capita Incomes[a] of Households With AFDC Recipients and Relatives (April 1984)

Household	Bottom quarter	Median income	Average (mean) income	Top quarter
Two generation AFDC-related household:[b]				
All household members	$171 or less	$252	$293	$338 or more
AFDC members	145 or less	204	266	294 or more
Non-AFDC members	67 or less	190	311	474 or more
Three-generation AFDC-related household:[c]				
All household members	196 or less	255	336	416 or more
AFDC members	114 or less	153	169	214 or more
Non-AFDC members	204 or less	345	502	649 or more

[a]Income includes cash and in-kind benefits, excluding Medicaid.

[b]114 households sampled.

[c]103 households sampled.

Table IV.2: Monthly Per Capita Incomes[a] of AFDC Recipients (April 1984)

Household	No. of households sampled	Bottom quarter	Median income	Average (mean) income	Top quarter
AFDC-only households	394	$142 or less	$189	$205	$244 or more
Two-generation AFDC-related households	114	167 or less	238	293	322 or more
Three-generation AFDC-related households	103	146 or less	187	199	243 or more

[a]Income includes cash and in-kind benefits, including Medicaid.

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